

July 18, 2003

Via Electronic Filing

Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: Notice of Ex Parte Presentation: *In the Matter of AT&T Corp. Petition for Rulemaking To Reform Regulation Of Incumbent Local Exchange Carrier Rates For Interstate Special Access Services*, RM Docket No. 10593.

Dear Ms. Dortch;

On Thursday, July 17, 2003, Special Access Reform Coalition (SPARC) met with William Maher, Wireline Competition Bureau Chief, along with Jeffrey Carlisle, Tamara Preiss, Deena Shetler, Jay Atkinson, Joshua Swift and Kathleen O'Neil to discuss special access pricing. The SPARC members attending the meeting included: Douglas Brandon of AT&T Wireless; Brian Moir of Moir & Hardman, counsel for eTUG; Douglass Jarrett of Keller and Heckman, counsel for the American Petroleum Institute; Jonathan Lee of Comptel; Patrick Merrick of AT&T Corp.; Hank Hultquist of MCI, Michale Pryor of Mintz Levin, counsel for AT&T Wireless; Veronica Pastor of Global Crossing and John Longo of Global Crossing. During the meeting, SPARC members urged the bureau to immediately address the inflated special access rates and take immediate action consistent with SPARC's May 1, 2003 ex parte. The attached documents were provided and discussed at the meeting.

Consistent with the Commission rules, I am filing one electronic copy of this notice and request that you place it in the record of the proceeding.

Sincerely,

Brian R. Moir, Partner
Moir & Hardman

Attachments

CC: Meeting Attendees

2001 Financial Data for Interstate Special Access
(\$thousands)

LEC	Revenue	Net Return	Net Investment	ROR	Rev. change for 11.25% ROR	
					Dollars	Percent
Ameritech	\$1,395,500	\$723,814	\$1,050,794	68.9%	(\$996,872)	-71.4%
Nevada Bell	\$27,628	\$13,358	\$16,252	82.2%	(\$18,979)	-68.7%
Pacific Bell	\$1,182,468	\$499,415	\$886,273	56.4%	(\$657,958)	-55.6%
Southwest Bell	\$1,449,880	\$589,663	\$1,429,822	41.2%	(\$705,857)	-48.7%
SNET	\$238,800	\$102,074	\$148,586	68.7%	(\$140,507)	-58.8%
Total SBC	\$4,294,276	\$1,928,324	\$3,531,727	54.6%	(\$2,520,172)	-58.7%
Verizon-South	\$1,836,921	\$649,787	\$2,261,593	28.7%	(\$650,795)	-35.4%
Verizon-North	\$1,370,425	\$90,181	\$2,632,451	3.4%	\$339,045	24.7%
GTE/Contel	\$1,145,685	\$512,871	\$874,147	58.7%	(\$682,353)	-59.6%
Total Verizon	\$4,353,031	\$1,252,839	\$5,768,191	21.7%	(\$994,103)	-22.8%
Verizon-S+N	\$3,207,346	\$739,968	\$4,894,044	15.1%	(\$311,750)	-9.7%
BellSouth	\$1,831,143	\$751,379	\$1,525,302	49.3%	(\$954,375)	-52.1%
Qwest	\$1,528,226	\$646,769	\$1,407,245	46.0%	(\$804,039)	-52.6%
Sprint/United	\$317,589	\$153,862	\$116,835	131.7%	(\$231,635)	-72.9%
TOTAL LEC	\$12,324,265	\$4,733,173	\$12,349,300	38.3%	(\$5,504,324)	-44.7%

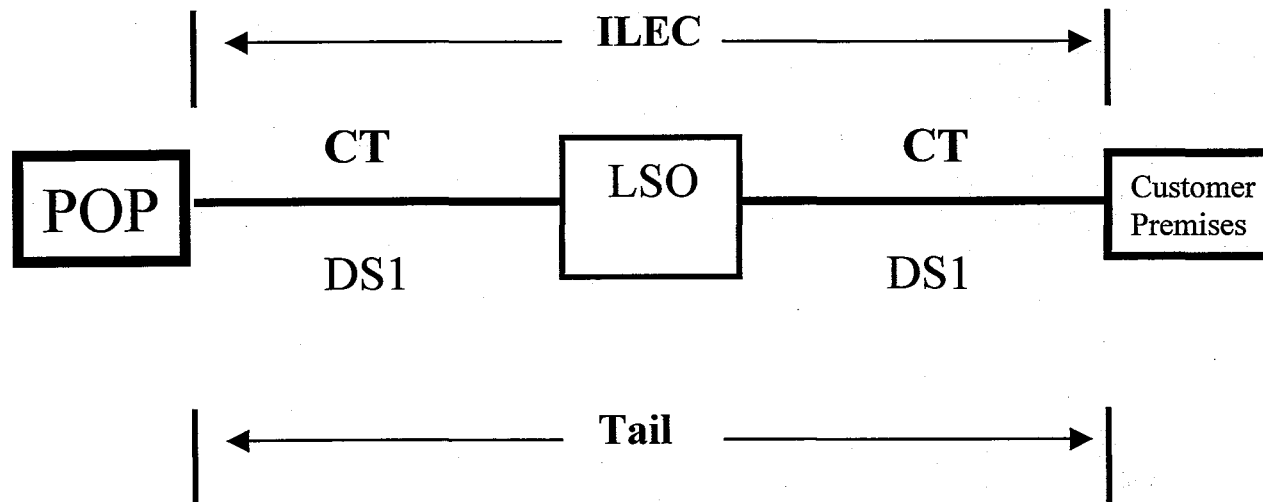
**2002 Financial Data for Interstate Special Access
(\$thousands)**

LEC	Revenue	Net Investment	Net Return	ROR	Rev. change for 11.25% ROR	
					Dollars	Percent
Ameritech	\$1,331,496	\$697,936	\$588,503	84.3%	(\$839,482)	-63.0%
Nevada Bell	\$28,966	\$20,400	\$12,946	63.5%	(\$17,533)	-60.5%
Pacific Bell	\$1,202,608	\$949,969	\$468,492	49.3%	(\$595,260)	-49.5%
Southwest Bell	\$1,539,302	\$1,446,120	\$542,639	37.5%	(\$625,433)	-40.6%
SNET	\$232,925	\$180,352	\$78,985	43.8%	(\$96,618)	-41.5%
Total SBC	\$4,335,297	\$3,294,777	\$1,691,565	51.3%	(\$2,174,325)	-50.2%
Verizon-South	\$2,141,454	\$2,166,432	\$752,172	34.7%	(\$836,952)	-39.1%
Verizon-North	\$1,688,181	\$2,570,121	\$74,165	2.9%	\$353,866	21.0%
GTE/Contel	\$1,134,262	\$920,607	\$483,900	52.6%	(\$626,060)	-55.2%
Total Verizon	\$4,963,897	\$5,657,160	\$1,310,237	23.2%	(\$1,109,147)	-22.3%
BellSouth	\$1,995,064	\$1,440,832	\$815,930	56.6%	(\$1,076,274)	-53.9%
Qwest (2001)	\$1,528,226	\$1,407,245	\$646,769	46.0%	(\$804,039)	-52.6%
Sprint/United	\$384,811	\$98,761	\$192,765	195.2%	(\$299,020)	-77.7%
TOTAL LEC	\$13,207,295	\$11,898,775	\$4,657,266	39.1%	(\$5,462,805)	-41.4%

Special Access Architectures

A: Stand alone DS1 w/0 Mileage (only 1 LSO)

- DS1 Tail: POP to Customer Premise
- ILEC Access
- 0 Mileage



Access Elements (red)

- CT: Channel Termination

Access Service (black)

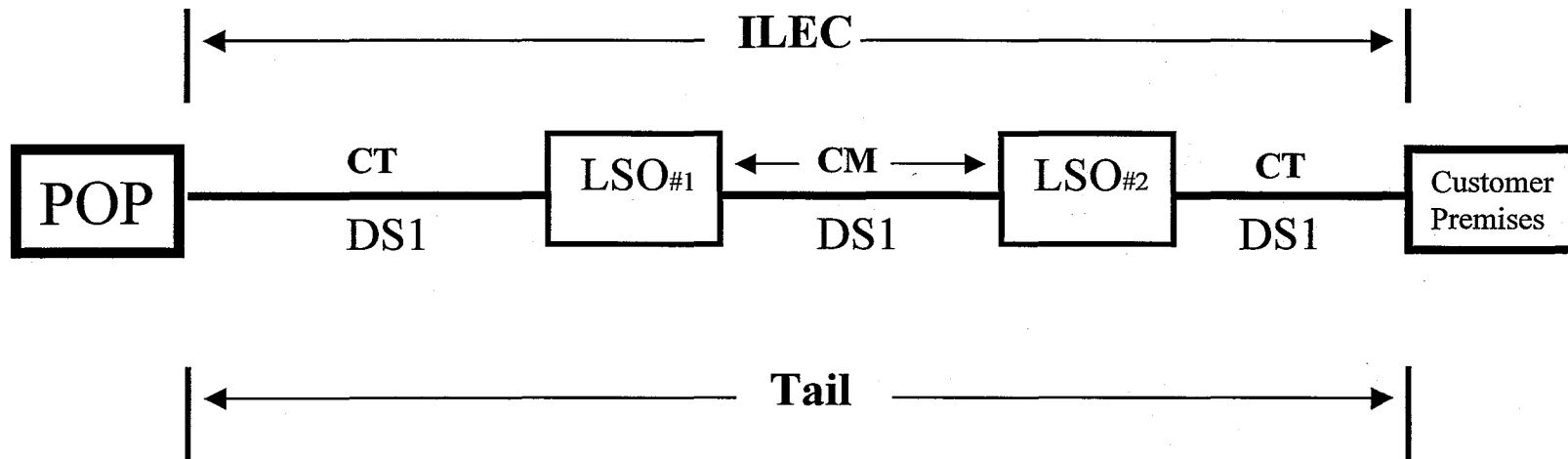
- DS1: High Capacity 1.544 Mpps (24 DS0 channels)

ILEC Access (blue)

Special Access Architectures

B: Stand alone DS1 w/LSO to LSO Mileage

- DS1 Tail: POP to Customer Premise
- ILEC Access
- “X” Mileage



Access Elements (red)

- CT: Channel Termination
- CM: Channel Mileage (Fixed & per Mile)

Access Service (black)

- DS1: High Capacity 1.544 Mpps (24 DS0 channels)

ILEC Access (blue)

Special Access Architectures

C: DS3 Facilities and DS1 Tails

- DS3 Facilities: POP to LSO
- DS1 Tails: LSO to Customer Premises
- All ILEC Access
- Zero Mileage and "X" Mileage

